

**MINUTES**  
**STATE BOND COMMITTEE**  
**July 19, 2006**

A meeting of the State Bond Committee was held at 2:05 p.m. on July 19, 2006 at the Department of Revenue, Commissioner's Conference Room, Juneau, Alaska.

State Bond Committee Members present were:

Greg Winegar, Director of Division of Investments, Department of  
Commerce, Community & Economic Development  
Kevin Brooks, Deputy Commissioner, Department of Administration  
Tom Boutin, Deputy Commissioner, Department of Revenue

Present telephonically were:

Freda Johnson, President, Government Finance Associates  
Chester Johnson, Government Finance Associates  
Shelly Ebenal, Birch, Horton, Bittner and Cherot  
Barbara Bittney, First Southwest Company  
Steve Kantor, First Southwest Company  
Joe Dubler, Finance Director, Alaska Housing Finance Corporation  
Betty Morrison, Alaska Housing Finance Corporation

Also present in Juneau were:

Deven Mitchell, Debt Manager, Department of Revenue

**I. Call to Order**

Mr. Winegar called the meeting to order at 2:05 p.m. AST.

**II. Roll Call**

Mr. Mitchell took roll call. Mr. Brooks, Mr. Boutin and Mr. Winegar were present.

**III. Public Meeting Notice**

A copy of the Advertising Order and Affidavit of Publication concerning the date, location, and purpose of the meeting were reviewed and made a part of the minutes of the meeting. Mr. Mitchell stated the meeting notice was advertised in the State's Online Public Notices.

**IV. Approval of Agenda**

The agenda was amended to add New Business Item C. Resolution 06-08 Veteran's Mortgage Bond Authorization The amended agenda was approved.

**V. Minutes of Meeting of March 21, 2006 State Bond Committee Meeting**

The minutes of March 21, 2006 were adopted as submitted with a typographical correction.

**VI. Public Comment**

Mr. Winegar asked for public participation and comment. There was none.

**VII. New Business**

*Resolution 2006-07*

Mr. Mitchell explained that Resolution 2006-07 allocates the Qualified Public Educational Facilities for Calendar Years 2005 and 2006. Five million of Qualified Public Educational Facilities authorization for 2005 can be allocated up until August 15, 2006 and then be carried forward for three years. The state also has a \$5 million allocation for Qualified Public Educational Facilities for 2006 which may also be carried forward. The allocations allow qualified projects to benefit from tax exempt borrowing. The allocation will be made to the Alaska Industrial and Export Authority for both years as that is where allocation carryforward from 2003 and 2004 resides. While there aren't any projects that are known at this time, it is good policy to ensure that the cap is available in the event one is found. Mr. Boutin moved approval of Resolution 2006-07, State of Alaska Qualified Public Educational Facilities private activity cap for Calendar Years 2005 and 2006. Mr. Brooks seconded. Mr. Mitchell called the roll and the motion passed unanimously.

*Resolution 2006-08*

Mr. Mitchell introduced Resolution 2006-08 which authorizes up to \$200,000,000 principal amount of Alaska Housing Finance Corporation collateralized bonds, 2006 First Series (Veterans Mortgage Program). These bonds were authorized by the voters of the State of Alaska and will carry the full faith and credit of the State. The State guarantee makes these bonds more marketable, but isn't expected to be called upon for the repayment of the bonds. The bonds are expected to be repaid from mortgage payments of the veterans who use the program to finance their home. Mr. Mitchell then asked Joe Dubler, AHFC Finance Officer to provide additional information that would be beneficial to the Committee. Mr. Dubler explained that there has been a change in the Veteran's Mortgage Program due to federal legislation that allows any veteran who has completed one tour of duty whether they're active duty or honorably discharged and retired and haven't been out of the service less than 25 years to participate in the program. This new definition increases the pool of potential borrowers through the program. These loans will save veterans 3/8 to 1/2 percent over conventional loan rates. Mr. Boutin moved approval of Resolution 2006-08, State of Alaska AHFC Veterans Mortgage Program 2006 First Series collateralized bond. Mr. Winegar seconded. Mr. Mitchell called the roll and the motion passed unanimously.

### **VIII. Debt Manager's Report**

Mr. Mitchell reported on HB 381 which passed this session and authorized the commissioner of revenue to sell the right to receive anticipated revenue from a tobacco litigation settlement to the Northern Tobacco Securitization Corporation, and relating to that sale and the use of the revenue.

SB 317 relating to the financing of a \$44 million parking garage in Anchorage through a lease-purchase agreement also passed this session.

Mr. Mitchell also gave a description of the Sport Fishing Revenue Bond Series 2006 sale. There was a great interest in the bonds from both the underwriting, rating and investor communities.

### **IX. Committee Members Comments**

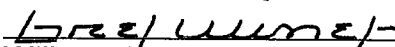
There were none.

### **X. Scheduling of Next Meeting**


The next meeting will be at the call of the Chair. Mr. Mitchell said probably sometime in September.

### **XI. Adjournment**

There being no further business, without objection the meeting was adjourned at 2:32 p.m..

  
FOR William C. Noll, Commissioner  
Department of Commerce, Community and Economic  
Development  
Chairman

ATTEST:

  
For Bill Corbus  
William A. Corbus, Commissioner  
Department of Revenue  
Secretary